

SENATE BILL NO. 212—COMMITTEE ON COMMERCE AND LABOR

FEBRUARY 20, 2001

Referred to Committee on Commerce and Labor

SUMMARY—Repeals provisions that require policy of individual health insurance to include certain coverage and benefits. (BDR 57-127)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to health insurance; repealing provisions that require a policy of individual health insurance to include certain coverage and benefits; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1     **Section 1.** NRS 687B.225 is hereby amended to read as follows:  
2     687B.225 1. Except as otherwise provided in NRS ~~689A.0405,~~  
3     ~~689A.0413,~~ 689B.031, 689B.0374, 695B.1912, 695B.1914, 695C.1713,  
4     695C.1735 and 695G.170, any contract for group, blanket or individual  
5     health insurance or any contract by a nonprofit hospital, medical or dental  
6     service corporation or organization for dental care which provides for  
7     payment of a certain part of medical or dental care may require the insured  
8     or member to obtain prior authorization for that care from the insurer or  
9     organization. The insurer or organization shall:  
10    (a) File its procedure for obtaining approval of care pursuant to this  
11    section for approval by the commissioner; and  
12    (b) Respond to any request for approval by the insured or member  
13    pursuant to this section within 20 days after it receives the request.  
14    2. The procedure for prior authorization ~~may~~ *must* not discriminate  
15    among persons licensed to provide the covered care.  
16    **Sec. 2.** NRS 689A.030 is hereby amended to read as follows:  
17    689A.030 A policy of health insurance must not be delivered or issued  
18    for delivery to any person in this state unless it otherwise complies with  
19    this code, and complies with the following:  
20    1. The entire money and other considerations for the policy must be  
21    expressed therein.  
22    2. The time when the insurance takes effect and terminates must be  
23    expressed therein.



1 3. It must purport to insure only one person, except that a policy may  
2 insure, originally or by subsequent amendment, upon the application of an  
3 adult member of a family ~~†~~ who shall be deemed the policyholder, any  
4 two or more eligible members of that family, including the husband, wife,  
5 dependent children, ~~{from the time of birth, adoption or placement for the~~  
6 ~~purpose of adoption as provided in NRS 689A.043, or}~~ any children under  
7 a specified age which must not exceed 19 years ~~{except as provided in~~  
8 ~~NRS 689A.045,}~~ and any other person dependent upon the policyholder.

9 4. The style, arrangement and overall appearance of the policy must  
10 not give undue prominence to any portion of the text, and every printed  
11 portion of the text of the policy and of any endorsements or attached papers  
12 must be plainly printed in light-faced type of a style in general use, the size  
13 of which must be uniform and not less than 10 points with a lower case  
14 unspaced alphabet length not less than 120 points. "Text" includes all  
15 printed matter except the name and address of the insurer, the name or the  
16 title of the policy, the brief description, if any, and captions and  
17 subcaptions.

18 5. The exceptions and reductions of indemnity must be set forth in the  
19 policy and, other than those contained in NRS 689A.050 to 689A.290,  
20 inclusive, must be printed, at the insurer's option, with the benefit  
21 provision to which they apply or under an appropriate caption such as  
22 "Exceptions" or "Exceptions and Reductions," except that if an exception  
23 or reduction specifically applies only to a particular benefit of the policy, a  
24 statement of that exception or reduction must be included with the benefit  
25 provision to which it applies.

26 6. Each such form, including riders and endorsements, must be  
27 identified by a number in the lower left-hand corner of the first page  
28 thereof.

29 7. The policy must not contain any provision purporting to make any  
30 portion of the charter, rules, constitution or bylaws of the insurer a part of  
31 the policy unless that portion is set forth in full in the policy, except in the  
32 case of the incorporation of or reference to a statement of rates or  
33 classification of risks, or short-rate table filed with the commissioner.

34 ~~{8. The policy must provide benefits for expense arising from care at~~  
35 ~~home or health supportive services if that care or service was prescribed by~~  
36 ~~a physician and would have been covered by the policy if performed in a~~  
37 ~~medical facility or facility for the dependent as defined in chapter 449 of~~  
38 ~~NRS.~~

39 ~~—9. The policy must provide, at the option of the applicant, benefits for~~  
40 ~~expenses incurred for the treatment of abuse of alcohol or drugs, unless the~~  
41 ~~policy provides coverage only for a specified disease or provides for the~~  
42 ~~payment of a specific amount of money if the insured is hospitalized or~~  
43 ~~receiving health care in his home.~~

44 ~~—10. The policy must provide benefits for expense arising from hospice~~  
45 ~~care.~~

46 **Sec. 3.** NRS 689A.040 is hereby amended to read as follows:  
47 689A.040 1. Except as *otherwise* provided in ~~{subsections 2 and 3,~~  
48 ~~each such}~~ *subsection 2, each* policy *of health insurance* delivered or  
49 issued for delivery to any person in this state must contain the provisions



1 specified in NRS 689A.050 to 689A.170, inclusive, in the words in which  
2 the provisions appear, except that the insurer may, at its option, substitute  
3 for one or more of the provisions corresponding provisions of different  
4 wording approved by the commissioner which are in each instance not less  
5 favorable in any respect to the insured or the beneficiary. Each such  
6 provision must be preceded individually by the applicable caption shown  
7 ~~1-1~~ or, at the option of the insurer, by such appropriate individual or group  
8 captions or subcaptions as the commissioner may approve.

9 2. ~~Each policy delivered or issued for delivery in this state after~~  
10 ~~November 1, 1973, must contain a provision, if applicable, setting forth the~~  
11 ~~provisions of NRS 689A.045.~~

12 ~~3-1~~ If any such provision is in whole or in part inapplicable to or  
13 inconsistent with the coverage provided by a particular form of policy, the  
14 insurer, with the approval of the commissioner, may omit from the policy  
15 any inapplicable provision or part of a provision, and shall modify any  
16 inconsistent provision or part of a provision in such a manner as to make  
17 the provision as contained in the policy consistent with the coverage  
18 provided by the policy.

19 **Sec. 4.** NRS 689A.280 is hereby amended to read as follows:

20 689A.280 ~~1-1~~ There may be a provision as follows:

21 Intoxicants and Narcotics: The insurer is not liable for any loss sustained  
22 or contracted in consequence of the insured's being intoxicated or under  
23 the influence of any narcotic unless administered on the advice of a  
24 physician.

25 ~~2-1 If the insurer includes the provision set forth in subsection 1, he~~  
26 ~~shall also provide that such provision in no way affects benefits payable for~~  
27 ~~the treatment of alcohol or drug abuse, as required by subsection 9 of NRS~~  
28 ~~689A.030-1~~

29 **Sec. 5.** NRS 689A.0404, 689A.0405, 689A.041, 689A.0413,  
30 689A.0415, 689A.0417, 689A.0423, 689A.0425, 689A.0427, 689A.043,  
31 689A.045, 689A.0455 and 689A.046 are hereby repealed.

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### LEADLINES OF REPEALED SECTIONS

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**689A.0404 Coverage for use of certain drugs for treatment of cancer.**

**689A.0405 Coverage for cytologic screening test and mammograms for certain women.**

**689A.041 Coverage for mastectomy and reconstructive surgery.**

**689A.0413 Coverage for certain gynecological or obstetrical services without authorization or referral from primary care physician.**

**689A.0415 Coverage for drug or device for contraception and for hormone replacement therapy in certain circumstances; prohibited actions by insurer; exceptions.**



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**689A.0417 Coverage for health care services related to contraceptives and hormone replacement therapy in certain circumstances; prohibited actions by insurer; exceptions.**

**689A.0423 Coverage for treatment of certain inherited metabolic diseases.**

**689A.0425 Individual health benefit plan that includes coverage for maternity care and pediatric care: Requirement to allow minimum stay in hospital in connection with childbirth; prohibited acts.**

**689A.0427 Coverage for management and treatment of diabetes.**

**689A.043 Coverage of newly born and adopted children and children placed for adoption.**

**689A.045 Termination of coverage on dependent child.**

**689A.0455 Coverage for treatment of conditions relating to severe mental illness.**

**689A.046 Benefits for treatment of abuse of alcohol or drugs.**

